I encourage the continuation of the program. I urge the adoption of this resolution.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. George Miller).

Mr. GEORGE MILLER of California. I rise in strong support of this amendment and urge its adoption. I thank the gentlewoman for offering it.

Mrs. JONES of Ohio. Mr. Chairman, I rise today in support of the Eddie Bernice Johnson Amendment to H.R. 1429, the Improving Head Start Act of 2007. This amendment will encourage partnerships between Head Start and Historically Black Colleges and Universities. The Johnson Amendment will encourage African American students to focus on early childhood education and participate in Head Start. My home is Cleveland, Ohio, and it is one of the poorest cities in the nation, with half of the children living below the poverty line. Head Start provides a vital service to my community, it allows the youngest and most helpless children to have a chance at the developing basic skills so they are not behind when they start attending school. I am so pleased that my colleague from Texas, EDDIE BERNICE JOHNSON has offered this amendment. It will encourage more African American teachers to return to some of the most impoverished communities across this country. They will not only serve as teachers but also as role models land mentors to inspire young children to succeed as they have. I would like to once again Congresswoman JOHNSON for offering this amendment and encourage all of my colleagues to support it.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I yield back the balance of my time.

Mr. McKEON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. PRICE OF GEORGIA

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 110–116.

Mr. PRICE of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. PRICE of Georgia:

At the end, add the following (and make such technical and conforming changes as may be appropriate):

TITLE II—STATE DEMONSTRATION PROGRAM

SEC. 201. STATE DEMONSTRATION PROGRAM.

The Head Start Act is amended by inserting after section 643 the following new section:

"SEC. 643A. STATE DEMONSTRATION PROGRAM.

- "(a) Grants.—
- "(1) IN GENERAL.—
- "(A) ELIGIBLE STATES.—In the case of each eligible State that submits to the Secretary an application that fulfills the requirements of this section, the Secretary, from amounts appropriated under section 639(a), shall make

- a grant to the State to carry out a State demonstration program under this section, except that the Secretary shall not make such grants to more than 8 eligible States.
- "(B) DETERMINATION.—The Secretary shall make awards to those States that demonstrate—
- "(i) that the State standards generally meet or exceed the standards that ensure the quality and effectiveness of programs operated by Head Start agencies;
- "(ii) the capacity to deliver high quality early childhood education services to prepare children, including low-income children, for school; and
- "(iii) success in improving the school readiness of children.
- "(2) STATE ELIGIBILITY.—A State shall be eligible to participate in the program under this section if it meets each of the following criteria:
- "(A) The State has an existing State supported system providing public prekindergarten to children prior to entry into kindergarten.
- "(B) The State has implemented standards as of fiscal year 2007 for school readiness that include standards for language, prereading and premathematics development for prekindergarten that are aligned with State kindergarten through twelfth grade academic content standards and which shall apply to all programs receiving funds under this part or provides an assurance that such standards will be aligned by the end of the second fiscal year of participation.
- "(C) State and locally appropriated funds for prekindergarten services and Head Start services in the base year under this section shall not be less than 50 percent of the Federal funds that the grantees in the State received under this Act in the base year for services to Head Start eligible children, excluding amounts for services provided under section 645A.
- "(D) The State has established a means for inter-agency coordination and collaboration in the development of the plan under subsection (h).
- "(b) LEAD AGENCY.—A program under this section shall be administered by a State governmental entity designated by the Chief Executive Officer of the State as the lead State agency.
- "(c) STATE OPERATION OF PROGRAM.—The State may conduct all or any part of the program under this section (including the activities specified in subsection (g)) directly or by grant, contract, or cooperative agreement.
 - "(d) Transition.—
- "(1) IN GENERAL.—For 60 months after the effective date of this section, the State shall continue to provide funds to each local grantee who—
- "(A) was receiving funds under this subchapter, as in effect prior to the date of enactment of this section, and
- "(B) is serving the geographic area covered by the plan in section 643A(h)."

Such continuing grants shall be made in accordance with the terms of the grant made to the local grantee immediately prior to such date of enactment. This paragraph shall not apply to a grant applicant who has experienced substantial uncorrected deficiencies on Department of Health and Human Services monitoring reports during any year of the most recent 5-year period, or to a grantee that, as determined by the State, does not comply with the State plan described in subsection 643A(h) submitted to the Secretary.

"(e) FEDERAL FINANCIAL ASSISTANCE.—

"(1) ALLOCATION OF FEDERAL ALLOTMENTS TO STATE PROGRAMS.—From each total amount described in paragraph (2) allotted to a State for a fiscal year, the Secretary shall pay to a State with a program approved under this section for such fiscal year an amount equal to—

- "(A) if the State program is statewide, 100 percent of such total amount; and
- "(B) if the State program is limited to a geographic area or areas, the sum of—
- "(i) an amount equal to the amount received by grantees in such geographic area or areas for the Federal fiscal year preceding the first fiscal year of the State program under this section; plus
- "(ii) an amount bearing the same ratio to the excess (if any) above the total amount for such preceding fiscal year as the number of children less than 5 years of age from families whose income is below the poverty line in the geographic area or areas included in the program bears to the total number of such children in the State (as determined using the same data used pursuant to section 640(a)(4)(B)).
- "(2) FUNDS ALLOCATED.—For purposes of paragraph (1), amounts described in this paragraph are:
- "(A) BASIC STATE ALLOTMENTS.—Amounts allotted to States pursuant to section 640(a)(4), including amounts reserved pursuant to section 640(a)(5), excluding amounts for services provided under section 645A.
- "(B) STATE ALLOTMENTS OF EXPANSION FUNDS.—Amounts allotted to States pursuant to section 640(a)(3)(D)(i)(I) for program expansion.
- "(C) QUALITY IMPROVEMENT FUNDS.—Quality improvement funds (if any) reserved pursuant to section 640(a)(3).
- "(D) Training and Technical assistance funds.—An amount bearing the same ratio to the amount set aside for training and technical assistance activities pursuant to section 640(a)(2)(C)(i) and (ii) as the State's share of amounts allotted under section 640(a)(4)(B) bears to the total amount so allotted (and for purposes of subparagraph (A), such amount shall be considered an amount allotted to the State for the fiscal year).
- "(3) NON-FEDERAL MATCH.—(A) In determining the amount of Federal and non-Federal contributions for purposes of this section, the amounts required to be expended by the State under subsection (h)(14)(B) (relating to maintenance of effort) shall be excluded.
- "(B) Financial assistance made available to a State under this subchapter shall be in an amount equal to 95 percent of the total amount expended for such programs. The Secretary shall require non-Federal contributions in an amount equal to 5 percent of the total amount expended under this subchapter for such programs.
- "(C) Non-Federal contributions may be made in cash or in kind, fairly evaluated, including plant, equipment, or services.
- "(4) COMBINED OPERATIONS WITH OTHER EARLY CHILDHOOD EDUCATION PROGRAMS.—A State may combine funds for a program under this section with funds for other early childhood programs serving children in the same age group, as long as all applicable requirements of this subchapter are met with respect to either—
 - "(A) the entire combined program; or
- "(B) each child served in such combined program for whom the services provided are funded from appropriations under this subchapter or non-Federal matching contributions under this subchapter.
- "(5) USE OF FUNDS WITHOUT REGARD TO AL-LOTMENT PURPOSES.—A State may use funds received pursuant to this section for any program purpose set forth in section 636, without regard to the purposes for such funds specified in section 640.
- "(6) OTHER FUNDS.—Funds received under this section shall not supplant any non-Federal, State or local funds that would otherwise be used for activities authorized under